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Consumer Price Index, Houston-The Woodlands-Sugar Land – June 2019

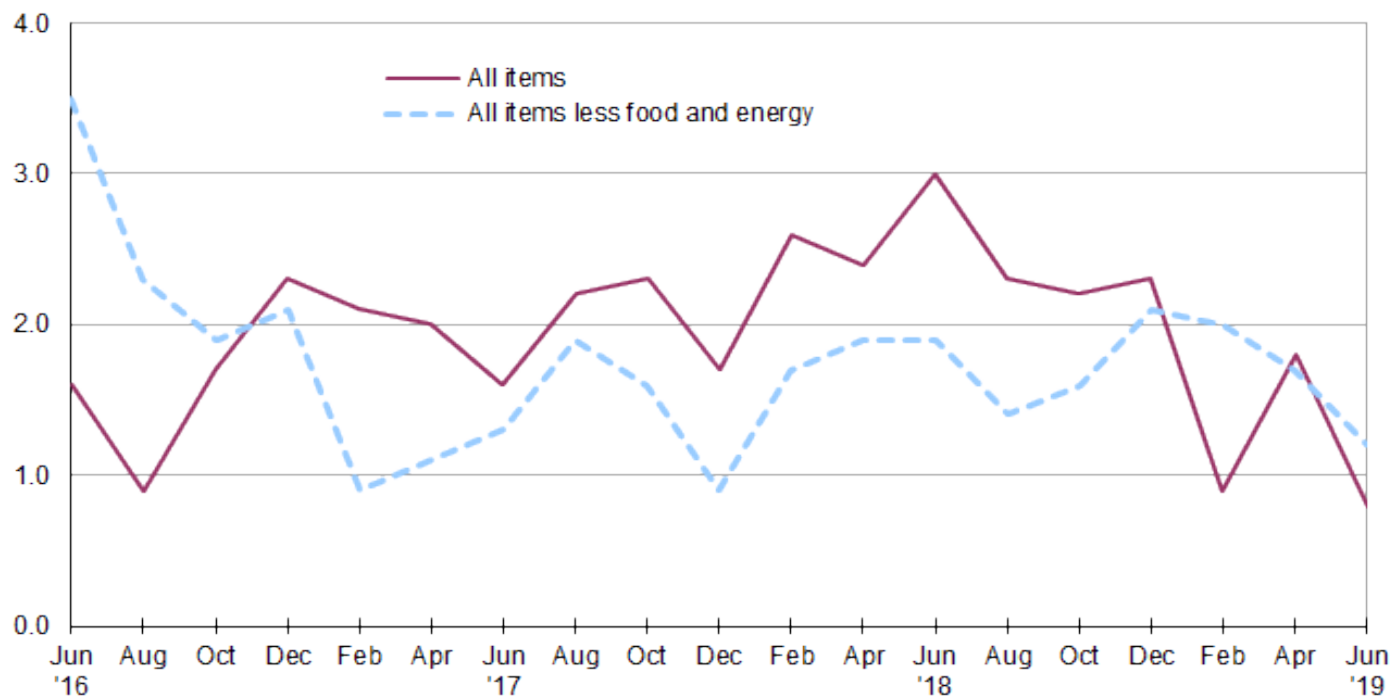
Area prices unchanged in May and June; up 0.8 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Houston area was unchanged in May and June, the U.S. Bureau of Labor Statistics reported today. Stanley W. Suchman, Assistant Commissioner for Regional Operations, noted that a 0.4-percent increase in the index for all items less food and energy was balanced by a 2.7-percent decline in energy prices, combined with a 0.1-percent dip in food prices. (Data in this report are not seasonally adjusted. Accordingly, short-term changes may reflect the impact of seasonal influences.)

During the year ended in June 2019, the all items CPI-U advanced 0.8 percent and the index for all items less food and energy increased 1.2 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Houston, TX, June 2016–June 2019

Percent change



Source: U.S. Bureau of Labor Statistics.

Food

Local food prices were little changed in May and June, dipping 0.1 percent, after increasing 0.6 percent in March and April. The dip was the result of a 0.2-percent decline in prices for food at home (grocery store prices), as prices for food away from home were unchanged during the period.

Despite the dip in the two-month period, during the 12 months ended in June 2019, the food index advanced 2.8 percent, its fastest 12-month rate of gain since April 2015. The latest annual change reflected the combined effects of a 3.6-percent rise in grocery store prices and a 2.1-percent increase in prices for food away from home.

Energy

The energy index fell 2.7 percent in May and June, following an 11.0-percent jump in March and April. During the latest period, prices fell for all three of the major components within the energy index, but the largest contributor was a 4.3-percent decline in motor fuel prices. The cost of natural gas fell 2.5 percent and electricity prices were down 0.7 percent in May and June.

From June 2018 to June 2019, the energy index fell 5.3 percent, due to a 10.1-percent decrease in motor fuel prices. In contrast, electricity costs were up 1.1 percent and natural gas costs rose 0.7 percent during the period.

All items less food and energy

The index for all items less food and energy rose 0.4 percent in May and June, after rising 0.2 percent in March and April. During the latest period, a 1.5-percent increase in shelter costs was the biggest factor in the advance, though a 2.2-percent rise in education and communication prices also contributed. These increases were tempered by price declines for apparel and recreation, down 6.9 percent and 1.9 percent, respectively.

During the 12 months ended in June 2019, the index for all items less food and energy rose 1.2 percent, its slowest rate of annual increase since December 2017. The largest factor in the latest annual change was a 3.1-percent rise in shelter costs, led by a 4.0-percent advance in owners' equivalent rent. Higher medical care prices (2.6 percent) also contributed. These gains were partially countered by price declines for apparel (-5.9 percent), other goods and services (-1.2 percent) and recreation (-0.6 percent).

The August 2019 Consumer Price Index for All Items for Houston-The Woodlands-Sugar Land is scheduled to be released Thursday, September 12, 2019.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 93 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details, see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, *The Consumer Price Index*, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Houston-The Woodlands-Sugar Land, Texas, Core Based Statistical Area** includes the counties of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Houston-The Woodlands-Sugar Land, TX (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from -		
	Apr. 2019	May 2019	Jun. 2019	Jun. 2018	Apr. 2019	May 2019
All items	229.261	-	229.316	0.8	0.0	-
All items (1967 = 100)	735.323	-	735.500			
Food and beverages	232.981	-	233.245	2.4	0.1	-
Food	234.017	-	233.831	2.8	-0.1	-
Food at home	227.218	226.682	226.759	3.6	-0.2	0.0
Cereals and bakery products	267.552	-	266.468	0.6	-0.4	-
Meats, poultry, fish, and eggs	247.936	-	248.554	5.0	0.2	-
Dairy and related products	174.837	-	177.127	0.5	1.3	-
Fruits and vegetables	283.466	-	286.411	4.8	1.0	-
Nonalcoholic beverages and beverage materials(1)	284.696	-	270.379	0.1	-5.0	-
Other food at home	200.607	-	202.355	6.0	0.9	-
Food away from home	237.045	-	237.125	2.1	0.0	-
Alcoholic beverages	206.388	-	213.703	-3.6	3.5	-
Housing	223.617	-	225.902	2.7	1.0	-
Shelter	265.432	268.587	269.455	3.1	1.5	0.3
Rent of primary residence	259.746	261.468	263.156	1.9	1.3	0.6
Owners' equivalent rent of residences(2)	247.053	248.512	250.865	4.0	1.5	0.9
Owners' equivalent rent of primary residence(2)	247.053	248.512	250.865	4.0	1.5	0.9
Fuels and utilities	180.107	-	178.717	1.3	-0.8	-
Household energy	156.940	154.599	155.450	1.0	-0.9	0.6
Energy services	154.376	152.052	152.979	1.0	-0.9	0.6
Electricity	153.989	151.891	152.950	1.1	-0.7	0.7
Utility (piped) gas service	144.328	140.739	140.739	0.7	-2.5	0.0
Household furnishings and operations	137.455	-	136.885	1.9	-0.4	-
Apparel	194.781	-	181.281	-5.9	-6.9	-
Transportation	188.465	-	186.763	-2.7	-0.9	-
Private transportation	187.884	-	186.248	-2.9	-0.9	-
New and used motor vehicles(3)	88.460	-	88.427	-0.1	0.0	-
New vehicles(1)	164.775	-	164.883	1.0	0.1	-
Used cars and trucks(1)	230.526	-	230.489	1.1	0.0	-
Motor fuel	230.155	235.465	220.349	-10.1	-4.3	-6.4
Gasoline (all types)	230.403	235.783	220.418	-10.2	-4.3	-6.5
Gasoline, unleaded regular(4)	233.713	238.923	222.820	-10.5	-4.7	-6.7
Gasoline, unleaded midgrade(4)(5)	243.751	250.312	236.729	-9.2	-2.9	-5.4
Gasoline, unleaded premium(4)	246.926	254.751	242.486	-8.0	-1.8	-4.8
Motor vehicle insurance(1)	708.611	-	708.611	-3.8	0.0	-
Medical care	507.245	-	510.217	2.6	0.6	-
Recreation(3)	105.436	-	103.401	-0.6	-1.9	-
Education and communication(3)	120.115	-	122.772	0.6	2.2	-
Tuition, other school fees, and childcare(1) ...	1,260.589	-	1,260.589	1.9	0.0	-
Other goods and services	416.780	-	410.830	-1.2	-1.4	-
Commodity and service group						
Commodities	178.093	-	176.011	-1.2	-1.2	-
Commodities less food and beverages	151.017	-	148.175	-3.1	-1.9	-
Nondurables less food and beverages	208.657	-	200.900	-6.3	-3.7	-
Durables	100.287	-	100.476	0.7	0.2	-
Services	281.622	-	283.870	2.2	0.8	-
Special aggregate indexes						
All items less shelter	215.686	-	214.252	-0.2	-0.7	-
All items less medical care	215.943	-	215.896	0.7	0.0	-
Commodities less food	153.165	-	150.521	-3.1	-1.7	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Houston-The Woodlands-Sugar Land, TX (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from -		
	Apr. 2019	May 2019	Jun. 2019	Jun. 2018	Apr. 2019	May 2019
Nondurables	221.216	-	217.329	-1.9	-1.8	-
Nondurables less food.....	208.390	-	201.443	-6.2	-3.3	-
Services less rent of shelter(2).....	297.075	-	297.186	1.2	0.0	-
Services less medical care services.....	259.361	-	261.445	2.1	0.8	-
Energy	189.730	190.797	184.532	-5.3	-2.7	-3.3
All items less energy	236.175	-	236.858	1.5	0.3	-
All items less food and energy	236.369	-	237.201	1.2	0.4	-

Footnotes

(1) Indexes on an April 1978=100 base.

(2) Indexes on a December 1982=100 base.

(3) Indexes on a December 1997=100 base.

(4) Special index based on a substantially smaller sample.

(5) Index on a December 1993=100.

- Data not available.